REPUBLICAN FloorPrep

Legislative Digest

Saturday, November 8, 1997

John Boehner Chairman 8th District, Ohio

House Meets at 12:00 Noon for Legislative Business

Anticipated Floor Action:

H.R. 2534—Agricultural Research, Extension, and Education Reauthorization Act H.Res.122—Tactile Currency for the Blind and Visually Impaired

H.R. 2614—Reading Excellence Act

S. 813—Veterans' Cemetery Protection Act

S. 1377—American Legion Membership Eligibility Act

S. 1139—Small Business Reauthorization Act

S. 714—Extending Expiring VA Authorities

H.R. 2513—Exempting Certain Active Financing Income and Agricultural **Processors Stock Sales from Federal Taxation**

H.R. 2813—Awarding the Medal of Honor to Robert R. Ingram

H.R. 2631—Military Construction Veto-Override

H.R. 1129—Microcredit for Self-Reliance Act

H.Con.Res. 22—Expressing the Sense of the House Regarding Discrimination By the German Government Against Members of Minority Religious Groups



Bills Considered Under Suspension of the Rules

Floor Situation: The House will consider the following 12 bills under suspension of the rules as its first order of business today. Each is debatable for 40 minutes, may not be amended, and requires a two-thirds majority vote for passage.

H.R. 2534—Agricultural Research, Extension, and Education Reauthorization Act reauthorizes and reforms existing agricultural research, extension, and education programs through FY 2002. Specifically, the bill (1) improves overall coordination of federally-supported agricultural research; (2) increases user input by requiring the Agriculture Secretary to consult with (and solicit recommendations from) the appropriate advisory board and persons who use or conduct agricultural research when establishing priorities for federally-funded research, extension, and education activities; (3) subjects all federal research, extension, and education programs to scientific and merit peer-review; (4) clarifies that state universities must match any federal funds with an equal amount of non-federal funds to ensure consistency between research and education programs (with certain exceptions); (5) authorizes new competitive research grant programs in plant and animal genetics, precision agriculture, organic agriculture, new biobased industrial products, and crop diversification; and (6) seeks to ensure that federal funds be managed to maximize the impact of federal investment by coordinating and integrating research, extension, and education projects and programs, minimizing unnecessary duplication, and fostering appropriate partnerships with other institutions and organizations to solve specific problems. The measure is considered noncontroversial.

The public agricultural research, education, and extension system is comprised of a nationwide network of federal and state agricultural research laboratories and departments, land grant agriculture colleges, forestry and veterinary medicine colleges, as well as the nationwide Cooperative Extension System. Although the basic authority to conduct these programs is permanent, Congress since 1977 has provided funding authority and policy guidance for the U.S. Department of Agriculture's (USDA) in-house research programs, as well as federal support for cooperative research, higher education, and extension programs in the states. This is accomplished through the research title in omnibus farm legislation, the most recent being the 1996 Farm Bill (P.L. 104-127). Congress reauthorized the agricultural research and extension section of the 1996 Farm Bill with few modifications to existing practices with the intent to examine agriculture research more comprehensively and make further changes in the 105th Congress. Assuming appropriations of the estimated amounts, CBO estimates that implementing H.R. 2534 will require \$14.7 billion in discretionary spending authority over the FY 1998-2002 period. The bill affects direct spending, so pay-asyou-go procedures apply. CBO estimates that the bill will increase direct spending by \$115,000 per year. The bill was introduced by Mr. Combest et al.; the Agriculture Committee reported the bill by voice vote on October 29, 1997.

H.Res.122—Tactile Currency for the Blind and Visually Impaired declares the Sense of the House to (1) endorse the efforts of the Bureau of Engraving and Printing to upgrade the currency for security reasons; and (2) strongly encourage the Treasury Secretary and the Bureau to incorporate cost-effective, tactile features into the design changes, thereby including the blind and visually impaired community in independent currency usage. In March 1994, the Bureau of Engraving and Printing commissioned the National Academy of Sciences to perform a study on currency features for the visually impaired. The study explored the methods of making currency more accessible for all Americans. The report concluded that the needs of the blind could be better served if further study on specific changes such as size, and tactile marks be initiated. Proponents note that the Treasury Department is currently engaged in efforts to redesign the Federal Reserve note to prevent counterfeiting and a new \$100 bill has already been issued nationwide. Therefore, with this window of opportunity, Congress has the chance to assist the millions of visually impaired Americans who strive to live independently by making their money more accessible to them. A CBO estimate was unavailable at press time. H.Res. 122 was introduced by Mr. Baker on March 4, 1997, and was not reported by any committee.

H.R. 2614—Reading Excellence Act authorizes \$260 million for the next three years to assist states in improving literacy rates among young children. Specifically, the bill provides funds to (1) help teachers learn how to teach reading using phonics, (2) assist parents in learning how to read, and (3) enhance tutoring programs for young children. The bill also requires that \$10 million be directed to support Even Start family literacy programs. Colleges may reserve two percent of work-

study funds to employ and train college students to teach young children how to read using phonics. Finally, the bill repeals 67 unfunded programs under the Department of Education. CBO estimates that enactment will result in a net increase in outlays of \$753 million over the next five years, assuming appropriations of authorized amounts. The bill was introduced by Mr. Goodling and ordered reported by the Education & the Workforce Committee by voice vote. For additional information, see *Legislative Digest*, Vol. XXVI, #30, October 24, 1997.

S. 813—Veterans' Cemetery Protection Act directs the U.S. Sentencing Commission to review and amend sentencing guidelines to increase penalties (sentencing enhancement of at least two levels) for any offense against the property of a national cemetery. Current law does not include specific sentencing guidelines for theft and vandalism at national cemeteries, only general prohibitions against damaging federal property. In recent years, a rash of theft and vandalism has occurred at national cemeteries around the nation. In June 1996, at the Riverside National Cemetery in Riverside, California, the second largest national cemetery in the nation, thieves stole engraved bronze markers from 128 graves. Earlier this year, vandals caused more than \$20,000 worth of damage by spray-painting racist and profane words on cemetery walls and desecrating the chapel and grave markers at the National Memorial Cemetery in Hawaii. A CBO estimate was unavailable at press time. The bill was introduced by Senator Thurmond and reported by the Senate Judiciary Committee by voice vote on October 23, 1997. The Senate passed the bill by unanimous consent on November 4, 1997. The House passed similar legislation, H.R. 1532, on June 23, 1997.

S. 1377—American Legion Membership Eligibility Act changes the date for which persons enrolled in the military may qualify for veterans benefits associated with their service during the Vietnam War. Currently, anyone in the service on or before December 22, 1961, qualifies for such benefits; the bill moves the date to February 28, 1961. The bill codifies the current practice of the Veterans' Administration in using the earlier date and, in doing so, expands the number of veterans who can receive health and other benefits. CBO did not complete a cost estimate for the bill. S. 1377 was referred to the House on November 6, 1997. The Senate passed the bill by unanimous consent on November 5.

S. 1139—Small Business Reauthorization Act reauthorizes the Small Business Administration and the programs of the Small Business Act and the Small Business Investment Act through FY 2000. The bill sets new authorization levels at \$1.4 billion for FYs 1998 and 1999, and \$1.5 billion for FY 2000. The bill reauthorizes, modifies, and strengthens the SBA's financial programs, including the general business loan guarantee program, the Certified Development Company program, the Microloan program, and the Small Business Investment Company program. In addition, the bill reauthorizes the technical assistance and procurement programs of the SBA, including the Women's Business Center program, the Small Business Development Center program, and the Competitiveness Program. Finally, the bill establishes the HUBZone Program, which provides federal dollars and incentives to businesses that locate in and employ residents from economically-distressed areas, thereby targeting inner cities and rural counties that have low household incomes, high unemployment, and whose communities have suffered from a lack of investment. The bill is considered noncontroversial.

Small Business Administration programs provide over \$13 billion in financial assistance annually to over 100,000 small businesses across the United States. These programs remedy shortfalls in access to credit and capital for small businesses. By providing financial assistance in amounts as small as \$500 to as much as \$1.25 million, the SBA and its private sector partners—bank and non-bank

lenders, surety bond insurers, certified development companies, microlenders, and small business investment companies—provide a vital stimulus to the small business sector of the economy. The SBA also provides millions of dollars in disaster assistance to small businesses and homeowners every year. CBO estimates that enactment will result in new discretionary spending of about \$4.4 billion over the FY 1998-2002 period. Of this total, \$570 million is from amounts specifically authorized in the bill for SBA programs—primarily for administrative expenses. The remaining \$3.8 billion is primarily for the subsidy costs of SBA loan programs. CBO estimates that enactment also will result in an increase in direct spending of \$1 million in fiscal year 1998 and \$5 million over the FY 1998-2002 period. The bill was introduced by Senator Bond and reported by the Senate Small Business Committee by voice vote on August 19, 1997. The Senate passed the bill by unanimous consent on October 31, 1997. The House passed similar legislation, H.R. 2261, by a vote of 397-17 on September 29, 1997.

S. 714—Extending Expiring VA Authorities extends, consolidates, and strengthens several expiring laws which authorize programs to assist and rehabilitate homeless veterans and veterans with chronic mental illnesses. In addition, the bill reauthorizes a pilot program that allows the Veterans Affairs Secretary to make direct housing loans to Native American veterans through December 31, 2003 (the program's existing authorization expired on September 30, 1997). The bill also extends the authority of the VA to enter into enhanced-use leases until December 31, 1999 (currently set to expire on December 31, 1997). The VA's enhanced-use lease authority permits the VA to enter into long-term leases with private and other public entities to improve underutilized VA property and develop beneficial uses on medical center grounds. Finally, the bill extends for two years the (1) pilot program that provides noninstitutional alternatives to veterans' nursing home care; and (2) VA's authority to operate a Health Professional Scholarship Program. The VA provides hospitalbased home care, adult day health care, homemaker/home health aide services, and community residential care to veterans under its non-institutional long-term program, furnishing these services solely through contracts with public and private agencies. Under the Health Professional Scholarship Program, the VA may provide scholarship assistance to persons studying to be registered nurses and other health-related professionals in exchange for the student's commitment to work for the VA for two years.

Assuming appropriations of authorized amounts, CBO estimates that enactment will increase discretionary spending by \$89 million in FY 1998 and \$280 million over the FY 1998-2002 period. The bill was introduced by Senator Specter and reported by the Senate Judiciary Committee by voice vote on October 5, 1997. The Senate passed the bill by unanimous consent on November 5, 1997. The House passed legislation to extend certain expiring VA authorities (e.g., homeless veterans programs), H.R. 2206, by voice vote on October 6, 1997.

Although a compromise agreement had not been reached at press time, the bill also may include provisions from previous House-passed bills, such as provisions to (1) restructure authority and responsibility for overseeing equal employment opportunities within the VA to improve and expedite procedures for resolving complaints of sexual harassment and other unlawful employment discrimination (H.R. 1703); (2) address veterans' needs relating to Gulf War illnesses (H.R. 2206); and (3) authorize VA medical construction projects and facility leases (H.R. 2571).

H.R. 2513— Exempting Certain Active Financing Income and Agricultural Processors Stock Sales from Federal Taxation provides temporary tax exceptions from the foreign personal holding company income and foreign base company services income provisions of the Internal Revenue Code for income from an insurance, banking, or financing-type business that is conducted overseas by a U.S. company. The intent of this provision is to increase the competitiveness of U.S. companies that conduct business in another country. The bill also contains an anti-abuse provision to prevent U.S. businesses from taking advantage of this measure solely for tax purposes. In such cases, a company may establish a foreign-based operation in order to take advantage of the provision. Finally, the bill stipulates that securities dealers that use this proposal must reduce certain foreign tax credits they receive in order to avoid receiving a double tax benefit for their foreign-based operations.

The bill also permits the tax-free rollover of up to \$75 million per year of profit realized in the sale of all (*i.e.*, 100 percent) of the stock of a corporation that owns a processing facility to any cooperative which is engaged in marketing agriculture or horticultural products. The seller may reinvest the proceeds from the sale in other ventures. In order to qualify, at least 50 percent of the product that the facility processes, for any three years of a five-year period, must be purchased from the cooperative or members of the cooperative. Finally, the bill provides that a cooperative will be subject to a 10 percent excise tax if it sells the stock of the processing corporation within three years of buying it. The Joint Committee on Taxation estimates that enactment will reduce federal receipts by \$72 million between 1998-2002. The bill does affect direct spending, so pay-as-you-go procedures apply. H.R. 2513 was introduced by Mr. Archer et al., and was reported by the Ways & Means Committee by voice vote on September 23, 1997.

H.R. 2813—Awarding the Medal of Honor to Robert R. Ingram waives the time limitations specified by law in order to allow the Medal of Honor to be awarded to Robert R. Ingram of Jacksonville, Florida, for acts of valor performed while serving as a Navy Hospital Corpsman during the Vietnam conflict. The Secretary of the Navy reviewed the matter and came to the conclusion that Corpsman Ingram should be awarded the Medal of Honor for conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty while serving with Company C, First Battalion, Seventh Marines against elements of a North Vietnam Aggressor (NVA) battalion in Quang Ngai Province, Republic of Vietnam, on March 28, 1966.

Corpsman Ingram accompanied a marine point platoon as it attacked an outpost of an NVA battalion. In mere moments, the platoon ranks were decimated by a Viet Cong counter strike. Oblivious to the slaughter around him, Corpsman Ingram crawled through a hail of bullets to reach a downed Marine. As he administered aid, a bullet went through the palm of his hand. As Corpsman Ingram moved across the battlefield collecting ammunition from the dead and administering aid to the wounded, he received two more wounds, one in the knee and one in his face. Though severely wounded three times, he gathered magazines, resupplied and encouraged those capable of returning fire until he finally reached the right flank of the platoon. While dressing the head wound of another corpsman, he sustained his fourth bullet wound. Even with those wounds, for the next two to three hours, Corpsman Ingram still encouraged and doctored his Marines. He received no official commendation for his actions, and because there is no evidence of an award recommendation, by law it cannot be made now unless Congress waives the time limitations. H.R. 2813 was introduced by Ms. Fowler on November 4, 1997; the National Security Committee waived its jurisdiction over the matter.

H.R. 2631—**Military Construction Veto-Override** disapproves the cancellation by the president of 38 projects from the FY 1998 Military Construction Appropriations Act (*P.L. 105-45*). On September 30, President Clinton signed the \$9.2 billion military construction bill and then, on October 6, the president used the line-item veto to cancel 38 projects in the law, amounting to \$287 million and affecting 24 states.

In his special veto message, the president argued that each of the canceled items (1) were not requested in the president's FY 1998 budget; (2) would not substantially improve the quality of life of military service members and their families; and (3) had not yet started the architectural and engineering design phases, making it unlikely that the funds would be used for construction during FY 1998. However, not all 38 canceled projects met those criteria, and President Clinton now admits that he canceled some of the projects because of inaccurate data. The Senate passed a similar disapproval bill (S.1292) by a 69-30 vote, on October 30, 1997. H.R. 2631 was introduced by Mr. Skeen et al., but was not reported by any committee.

H.R. 1129—Microcredit for Self-Reliance Act authorizes the president, through nongovernmental organizations and credit institutions, to provide assistance for microenterprises in developing countries. Among other things, the bill directs the administrator of the U.S. Agency for International Development (AID) to maximize assistance to microenterprises by establishing a monitoring system that sets certain performance goals. It authorizes appropriations for the U.S. contribution to the International Fund for Agricultural Development (IFAD), which provides grants to nongovernmental organizations and other private community-based microenterprise institutions serving the poor, especially women. The bill stipulates that the administer of AID should provide approximately one-half of the credit assistance authority for poverty lending programs which offer loans of \$300 or less to such poor members of society.

The bill also expresses the sense of the Congress that: (1) the Microstart Program established by the United Nations Development Program (UNDP) represents an important new initiative; and (2) the president should instruct the U.S. representative to the United Nations to use the U.S. vote to support the program. CBO estimates that spending for these purposes would continue under the bill at about the same level which the administration is currently spending (\$120 million), assuming appropriation of the necessary funds. The bill does not affect direct spending, and pay-as-you-go procedures do not apply. The measure was introduced by Mr. Houghton et al. on March 19, 1997. The International Relations committee ordered the bill reported by voice vote on October 9.

H.Con.Res. 22—Expressing the Sense of the House Regarding Discrimination By the German Government Against Members of Minority Religious Groups calls upon the president to (1) assert U.S. concern regarding violations by the German government of the rights of members of minority religious groups (including Scientologists); (2) emphasize that the United States regards human rights practices of the German government, and in particular the treatment of U.S. citizens who are performing, doing business, or traveling in Germany, as a significant factor in enhancing the good faith relations between the United States and Germany; (3) encourage the governments of other countries to appeal to the German government and to cooperate with other governments and international organizations (including the United Nations and its agencies) in efforts to protect the rights of minority religious groups in Germany; (4) continue to document discrimination against religious minority groups by the German government and German federal and state officials in his annual reports to the Congress on human rights practices in Germany; and (5) report to Congress on

executive branch efforts to discourage discrimination against minority religious groups in that country. The bill was introduced by Mr. Payne et al. on February 13, 1997. The International Relations committee ordered the resolution reported by voice vote on October 31.



PLEASE NOTE: UNDER THE EXPEDITED PROCEDURES RULE, MEASURES MAY BE BROUGHT TO THE FLOOR UNDER SUSPENSION OF THE RULES AN HOUR AFTER BEING ANNOUNCED, AND CONFERENCE REPORTS MAY BE CONSIDERED AT ANY TIME.

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